

AMENDED IN ASSEMBLY APRIL 29, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 231

Introduced by Assembly Member Huffman
(Principal coauthor: Senator Pavley)

February 5, 2009

An act to amend Section 38597 of, and to add ~~Section 38597.5~~
Sections 38597.2 and 38597.5 to, the Health and Safety Code, relating
to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 231, as amended, Huffman. California Global Warming Solutions Act of 2006: Climate Protection Trust Fund.

The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations to require the reporting and verification of emissions of greenhouse gases and to monitor and enforce compliance with the reporting and verification program, and requires the state board to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions levels in 1990 to be achieved by 2020. The act requires the state board to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to include the use of market-based compliance mechanisms. The act authorizes the state board to adopt a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act, and requires the revenues collected pursuant to that fee to be deposited into the Air Pollution Control Fund and be available, upon appropriation by the Legislature, for purposes of carrying out the act.

This bill would instead require the state board to, no later than March 30, 2010, adopt a schedule of fees, as provided. The revenues collected would be deposited in the Climate Protection Trust Fund, which the bill would create. All other compliance revenues collected pursuant to the act, including fines and penalties, would be required to be deposited into the fund, and would be available, upon appropriation by the Legislature, for the purposes of carrying out the act.

Because failure to pay the fee would be a crime, this bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 38597 of the Health and Safety Code is
- 2 amended to read:
- 3 38597. ~~(a) The state board shall adopt by regulation no later~~
- 4 ~~than March 30, 2010, after a public workshop, a schedule of fees~~
- 5 ~~to be paid by the sources of greenhouse gas emissions regulated~~
- 6 ~~pursuant to this division, consistent with Section 57001. The~~
- 7 ~~revenues collected pursuant to this section, shall be deposited into~~
- 8 ~~the Climate Protection Trust Fund.~~
- 9 ~~(b) The fees established by the state board pursuant to this~~
- 10 ~~section shall be designed to allocate the costs of implementing this~~
- 11 ~~division based on the contribution of the source to statewide~~
- 12 ~~emissions of greenhouse gases, and to meet all of the following~~
- 13 ~~goals:~~
- 14 ~~(1) Minimize costs and maximize total benefits to California,~~
- 15 ~~while achieving the statewide greenhouse gas emissions limit~~
- 16 ~~established pursuant to Section 38550.~~
- 17 ~~(2) Reduce disproportionate impacts on low-income~~
- 18 ~~communities.~~
- 19 ~~(3) Provide incentives to reduce greenhouse gas emissions.~~
- 20 ~~(4) Implement any market-based compliance mechanisms~~
- 21 ~~adopted by the state board.~~

1 ~~(e) The amount of fees per unit of greenhouse gas emissions~~
2 ~~may be established directly by the state board or through a market~~
3 ~~mechanism. The total amount of fees collected shall not exceed~~
4 ~~the reasonable costs of implementing this division.~~

5 *SEC. 2. Section 38597.2 is added to the Health and Safety*
6 *Code, to read:*

7 *38597.2. Except as otherwise provided in this part, the fees*
8 *established by the state board pursuant to Section 38597 shall be*
9 *designed to allocate the costs of implementing this division based*
10 *on the contribution of the source to statewide emissions of*
11 *greenhouse gases, and to meet the goals of this division, including,*
12 *but not limited to:*

13 *(a) Reducing greenhouse gas emissions.*

14 *(b) Minimizing costs and maximizing total benefits to California,*
15 *while achieving the statewide greenhouse gas emissions limit*
16 *established pursuant to Section 38550.*

17 *(c) Reducing disproportionate impacts on low-income*
18 *communities.*

19 ~~SEC. 2.~~

20 *SEC. 3. Section 38597.5 is added to the Health and Safety*
21 *Code, to read:*

22 *38597.5. The Climate Protection Trust Fund is hereby*
23 *established in the State Treasury. All compliance revenues*
24 *collected pursuant to this division, including, but not limited to,*
25 *all fees collected pursuant to Section 38597 and all fines and*
26 *penalties collected pursuant to Section 38580 shall be deposited*
27 *into the Climate Protection Trust Fund, and are available, upon*
28 *appropriation by the Legislature, for the purposes of carrying out*
29 *this division.*

30 ~~SEC. 3.~~

31 *SEC. 4. No reimbursement is required by this act pursuant to*
32 *Section 6 of Article XIII B of the California Constitution because*
33 *the only costs that may be incurred by a local agency or school*
34 *district will be incurred because this act creates a new crime or*
35 *infraction, eliminates a crime or infraction, or changes the penalty*
36 *for a crime or infraction, within the meaning of Section 17556 of*
37 *the Government Code, or changes the definition of a crime within*

- 1 the meaning of Section 6 of Article XIII B of the California
- 2 Constitution.

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